
Effective date of rider: «Date»

Annexed and incorporated into Plan number: “Plan”

Annuitant: «Annuitant»

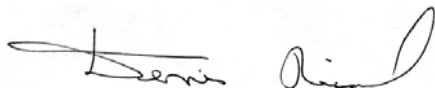
Life Income Fund Rider – Saskatchewan

This rider will form part of the RIF declaration of trust (the “Plan”) if the Annuitant has requested, or where the Annuitant has attained age 71 on a registered contract and has not selected another option, that the Plan be registered as a life income fund. The Plan will be modified as such:

- 1) For purposes of this rider, the word “Act” means the *Pension Benefits Act, 1992* (Saskatchewan) and the word “Regulation” means the *Pension Benefits Regulations, 1993* under the Act.
- 2) For the purposes of this rider, the words “life annuity contract”, “life income fund contract”, “locked-in retirement account contract”, “pension” and “spouse” have the same meanings as are respectively given to these words in the Act and the Regulation.
- 3) For the purpose of this rider, including the RIF declaration of trust forming a part thereof, the word “Annuitant” refers to the word “owner” and shall have the same meanings as given to this term in the Act and the Regulation.
- 4) Despite anything to the contrary contained in this rider, including any endorsement or declaration of trust forming a part thereof, “spouse” does not include any person who is not recognized as a spouse or common-law partner for the purposes of any provisions of the *Income Tax Act* (Canada) respecting registered retirement income funds (“RRIF”).
- 5) Subject to paragraph 9 of this rider, all money, including interest, gains and losses, that is subject to or from the LIF as defined by the Plan is to be used to provide or secure a pension that would, but for the transfer and previous transfers, if any, be required by the Act and the Regulation.
- 6) The Annuitant shall be paid an income, the amount of which may vary annually.
- 7) The fiscal year of the LIF ends on December 31 of each year and will not exceed twelve (12) months.
- 8) The Annuitant is to establish the amount of income to be paid during each fiscal year of the LIF at the beginning of that fiscal year after the receipt of the information specified in paragraph 11 of this rider, except that if the Trustee guarantees the rate of return of the LIF over a period that is greater than one year and that ends at the end of a fiscal year, then the Annuitant may establish the amount of income to be paid during that period at the beginning of that period.
- 9) Prior to using the balance of the LIF to purchase an immediate life annuity contract, the Annuitant may transfer, to the extent permitted by the *Income Tax Act* (Canada), all or part of the balance of the LIF:
 - a) to another life income fund (“LIF”);
 - b) to purchase a life annuity contract as stipulated in paragraph 60(1) of the *Income Tax Act* (Canada); or
 - c) to a locked-in retirement account (“LIRA”).
- 10) The balance of the LIF must be used to purchase an immediate life annuity contract, in accordance with paragraph 60(1) of the *Income Tax Act* (Canada), no later than December 31 of the year in which the annuitant attains the age of eighty (80) years.
- 11) The Trustee will provide the Annuitant the information specified in section 30 of the Regulation.
- 12) The money in the LIF will be invested in a manner that complies with the rules for the investment of RRIF money contained in the *Income Tax Act* (Canada) and will not be invested, directly or indirectly, in any mortgage in respect of which the mortgagor is the Annuitant or the parent, brother, sister or child of the Annuitant or the spouse of any such person.

- 13) For the purpose of:
- a transfer of assets;
 - the purchase of a life annuity contract; and
 - a payment or transfer on the death of the Annuitant,
- the value of the LIF shall be the fair market value of the contract at the relevant time.
- 14) Where money in the LIF is paid out contrary to the Act, the Regulation or this rider, the Trustee hereby declares that it will provide or ensure the provision of a pension in the amount of, and payable in the same manner as, the pension that would have been provided had the money not been paid out.
- 15) The Trustee, before transferring the sums invested in the LIF to another financial institution, will advise the transferee in writing of the locked-in status of the money and make acceptance of the transfer subject to the conditions provided for in the Regulation.
- 16) If the Trustee does not comply with paragraph 15 of this rider and the transferee fails to pay the money transferred in the form of a pension or in the manner required by the Regulation, the Trustee will provide or ensure the provision of the pension referred to in paragraph 14 of this rider.
- 17) On the death, prior to using the balance in the LIF to purchase a life annuity contract as required by paragraph 11 of this rider, of the Annuitant, who was a member of the LIF from which the locked-in money was transferred, either directly or indirectly, the balance in the LIF to the extent permitted by the *Income Tax Act* (Canada), shall be paid:
- where the Annuitant had a spouse at the date of the death who survives the Annuitant for thirty (30) days or more, to the surviving spouse; or
 - where there is no surviving spouse, or where the spouse does not survive the Annuitant for thirty (30) days or more, to a designated beneficiary, or if there is no designated beneficiary, to the personal representative of the Annuitant's estate in his or her representative capacity.
- 18) Where the LIF holds identifiable and transferable securities, the transfer or purchase referred to in paragraphs 9 or 10 of this rider may, unless otherwise stipulated, at the option of the Trustee and with the consent of the Annuitant, be affected by remittance of the investment securities of the LIF.
- 19) The Trustee hereby affirms that money in the LIF shall be invested in a manner that complies with the rules for the investment of money in a registered retirement income fund pursuant to the *Income Tax Act* (Canada) and the regulations thereunder.
- 20) A lump sum or series of payments may be made to the Annuitant where a physician certifies that, due to mental or physical disability, the life expectancy of the Annuitant is shortened considerably.
- 21) The amount of income paid during a fiscal year of a LIF may not exceed the amount M calculated in accordance with the following formula:
- $$M = \frac{C}{F}$$
- where:
- C = the balance of the locked-in money in the LIF at the beginning of the fiscal year;
- F = the value, as of January 1 in the calendar year in which the calculation is made, of a guaranteed pension of which the annual payment is \$1 payable at the beginning of each of the years between that date and the end of the calendar year in which the Annuitant attains the age of ninety (90) years; and
- M = the maximum income paid during a fiscal year, except that for the initial fiscal year of the contract, M shall be adjusted in proportion to the number of months in the fiscal year divided by 12, with any part of an incomplete month counting as one month.
- 22) The amount of income paid out of the contract during a fiscal year must not be less than the minimum amount prescribed for registered retirement income funds pursuant to the *Income Tax Act* (Canada), as amended from time to time, and if the maximum amount is less than the minimum amount required by the *Income Tax Act* (Canada), the minimum amount will prevail.
- 23) The value of F in paragraph 21 of this rider shall be calculated by using:
- an interest rate of not more than 6% per year; or

- b) for the first fifteen (15) years after the date of the valuation, an interest rate exceeding 6% per year if that rate does not exceed the interest rate obtained on long-term bonds issued by the Government of Canada for the month of November preceding the year of the valuation, as compiled by Statistics Canada and published in the Bank of Canada Review as CANSIM Series B-14013 and using an interest rate not exceeding 6% in subsequent years.
- 24) Where the amount of income to be paid to the Annuitant of a contract is fixed at an interval of more than one year, paragraphs 21, 22 and 23 of this rider shall apply with such modifications as the circumstances require to determine, at the date of the beginning of the first fiscal year in the interval, the amount of income to be paid for each fiscal year in that interval.
- 25) Where the money in the LIF is derived from money transferred directly or indirectly during the first fiscal year from another life income fund contract of the Annuitant, the amount M in paragraph 21 of this rider is equal to zero with respect to that money, except to the extent that the *Income Tax Act* (Canada) requires payment of a higher amount.
- 26) Where money is transferred to the LIF with respect to which the locked-in money has previously been transferred:
- a) other than from another LIF, either directly or indirectly; and
 - b) after the beginning of the fiscal year of the LIF,
- the amount M in paragraph 21 of this rider shall be adjusted by adding an amount calculated by applying the formula in paragraph 21 at the date of the transfer, using the amount transferred as the value of C and assuming that the transfer occurred in the initial fiscal year of the LIF.
- 27) No money that is not locked-in will be transferred to or held under the LIF.
- 28) Subject to paragraph 9 of this rider, no withdrawal, commutation or surrender of money is permitted.
- 29) The money in the LIF may not be assigned, charged, alienated or anticipated and is exempt from execution, seizure or attachment, and any transaction that purports to assign, charge, alienate or anticipate the money is void.
- 30) The LIF shall be subject to the enforcement of maintenance order provisions in section 50 of the Act and to the division on marriage breakdown provisions in Part VI of the Act.
- 31) Prior to transferring property from the LIF under any provision of this rider, the Trustee shall withhold an adequate amount to satisfy the minimum amount payable to the Annuitant in the particular fiscal year, as required, and in accordance with paragraph 146.3(2)(e) of the *Income Tax Act* (Canada).
- 32) The Trustee hereby affirms the provisions contained in the Plan.
- 33) The conditions of this rider will take precedence over the provisions in the Plan in case of conflicting or inconsistent provisions.

Handwritten signature of Denis Ricard in black ink.

Denis Ricard
President

Handwritten signature of Caroline Gilbert in black ink.

Caroline Gilbert
Director Compliance and Administration